



STATE OF WEST VIRGINIA  
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# Press Release

July 1, 2002

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**ATTORNEY GENERAL DARRELL V. MCGRAW, JR.  
ANNOUNCES FINAL DISTRIBUTION OF \$1.3 MILLION TO  
WEST VIRGINIANS FROM SETTLEMENT OF DRUG MONOPOLY CASES**

Attorney General Darrell V. McGraw, Jr. announced today the State received more than \$1.3 million as its share of an antitrust lawsuit settlement with pharmaceutical giant Mylan Laboratories.

Of the \$1.3 million, \$717,940 was distributed directly to consumers who had qualifying claims. Due to the number of claims filed, recipients received 100 percent of the calculated overcharge rather than a pro rata distribution. The remaining \$631,120, which was designated for injured government agencies, was delivered to the West Virginia Public Employees Insurance Agency.

"This settlement returned money directly to the parties who were injured," said Attorney General McGraw. "Many times the recovery is too small and costs too much to pay consumers directly," he said. "Because the defendants paid about \$100 million to settle this case, there was enough money to pay injured parties directly." Approximately 3,500 valid claims were filed by West Virginians.

The lawsuit was originally filed by West Virginia, 32 state attorneys general and the Federal Trade Commission, because Mylan and others increased the price by more than 2,000 percent for the generic drugs lorazepam and clorazepate, both used to treat Alzheimer's and anxiety. This spike in pharmaceutical prices helped lead to a 0.2 percent increase in the May 1998 national producer Price Index, which the federal government used to monitor national economic health.

Other defendants in the lawsuit and settlement include New Jersey-based Cambrex Corporation and its wholly-owned subsidiary, Profarmaco S.r.l., an Italian pharmaceutical ingredient manufacturer; New York-based drug distributor Gyma Laboratories of America, Inc.; and New Jersey-based SST Corporation.

Also, in an effort to restore a competitive balance to the pharmaceutical market, Judge Hogan approved an injunction under which Mylan has agreed to certain restrictions in its future supplier agreements.

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